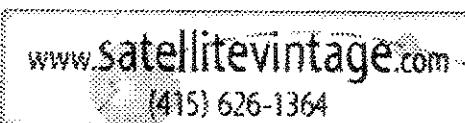


EXHIBIT C

**DECLARATION OF ANN M. O'LEARY IN SUPPORT OF DEFENDANTS'
OPPOSITION TO MOTION FOR PRELIMINARY INJUNCTION**



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Better to give than to receive ...
Willie Brown's campaign contributors have made millions on city contracts.

By Bob Porterfield

WHEN MAYOR WILLIE Brown needs reelection cash, he knows just where to pass the fedora.

This week

Special report:
Handouts and holdups
Million-dollar giveaways to big campaign contributors and crackdowns on the poor: Willie Brown's legacy.

Introduction

Better to give than to receive ...
Campaign contributors have made millions on city contracts.

Brown's broken promises
Poor people and progressives betrayed.

Letting tenants

Corporate contributors to Brown's 1999 reelection campaign have received city contracts worth more than \$300 million since the mayor took office in 1996, a *Bay Guardian* analysis of city records shows. And that's not counting additional millions in development rights and other valuable perks that have been awarded to the individuals and companies among the mayor's 6,000 contributors.

Among the contributors:

- 57 companies that received city contracts during Brown's first term have contributed a total of \$25,950 to the mayor's reelection campaign so far. That doesn't include contributions from corporate executives or employees.
- Last year PRWT Services Inc. of Philadelphia partnered with aerospace giant Lockheed Martin to win a \$30 million contract to collect outstanding parking tickets. Executives and employees of PRWT gave the mayor \$3,900.
- U.S. Public Technologies, a subsidiary of Lockheed, won a contract valued at \$9 million to provide cameras to catch drivers who run red lights at city intersections. Lockheed and its executives and employees ponied up \$9,150.
- Sunset Scavenger Co. has received at least 12 contracts valued at a total of \$7 million. Owner Michael J. Sangicomo, members of his family, and

tenants down
Election-year claims to renters don't hold up.

News
Jordan considering endorsing Ammiano

Fazio withheld evidence in murder case, Hallinan charges

Renter beware
Are phony credit checks duping Internet apartment seekers?

Examiner Deathwatch:
Gannett appeals injunction in Hawaii case

DPW ignores news-rack committee

Prop. G a win for grassroots politics

Worldview:
Obscuring despotism in Mexico's politics

Opinion

Brown and Fazio – the real risk, editorial

Stop the

Michael J. Sangicomo, members of his family, and employees of Sunset and three related companies – Golden Gate Disposal, Norcal Waste, and Sanitary Fill – gave \$25,375.

- Ford Graphics, a printing company, received two contracts worth \$8.4 million. The company and its executives contributed \$2,500.
- Oliva Chen Consultants, an engineering company, and its joint venture partners received several contracts totaling \$5.5 million. People connected with the firm and its partners contributed \$2,750.

Some other companies that received large contracts made smaller contributions.

Cerenio Management Group received a \$25 million contract in 1997 to operate the city's disabled paratransit program. Cerenio and its owner contributed \$1,000 to reelect the mayor.

Pacific Gas and Electric, which won \$34 million in contracts during Brown's tenure, didn't make a corporate contribution to the mayor's campaign – but company employees gave \$1,950. And McKesson, a San Francisco-based medical supplier that received at least seven contracts worth \$25.8 million, contributed \$500, the maximum permitted by law from a single contributor.

All told, almost 1,800 business enterprises chipped in \$719,000 for Brown's Nov. 2 election campaign.

If anything, the total reported value of the contracts held by Brown's campaign contributors is low. That figure doesn't include many companies that received additional tens of millions in city contracts or subcontracts that aren't listed in a central database.

THE INTEREST GROUPS that have given the most money to Mayor Willie Brown's reelection campaign, as revealed in contribution records filed with the city through Oct. 16.

- Businesses, 1,791 contributions, \$719,042 total.
- Self-employed,

Nor does it include contributors such as Adshel, the New York-based company that received a contract to install and maintain news racks under a controversial ordinance pushed through by Brown's administration. The ultimate value of that deal has yet to be determined.

There is no evidence that any of the companies demanded or received promises of city contracts in exchange for their contributions. And Brown's office denied that any contributors got special favors.

<u>Stop the evictions</u> , editorial	<ul style="list-style-type: none"> • Self-employed, 428 contributions, \$159,710 total. 	special favors.
<u>Other voices:</u> Election doublespeak is veiled homophobia1	<ul style="list-style-type: none"> • City employees, 390 contributions, \$117,455 total. • "Requested" (no affiliation listed), 408 contributions, \$153,000 total. • Retired, 213 contributions, \$68,551 total. • "Homemaker," 160 contributions, \$72,883 total. 	<p>"The campaign doesn't put the bite on anybody for anything," Brown campaign spokesperson P.J. Johnston told us. "The mayor does not involve himself in the contracting procedures of this city."</p> <p>But the volume of city contracts going out to contributors – or, put another way, the sizable sum Brown has raised from companies doing business with the city – gives at least the appearance that political patronage plays a role in the awarding of some major city contracts.</p>

Charles Marsteller, coordinator of government-watchdog group San Francisco Common Cause, says the corporate contributions to Brown's campaign are "unparalleled in the recent history" of local politics.

"I'd go so far as to call it a shakedown," he said. "The contributor in some ways is willing to pay for access. Others may be intimidated by the power concentrated in this mayor and his ability to influence contracting."

Through the cracks

The *Bay Guardian* examined all the mayor's campaign contribution reports that were filed with the city Ethics Commission through Nov. 1. We compared contributors listed on those filings with available indexes of city contracts.

Any complete analysis of the connection between contracts and contributions is hampered by the decentralized nature of San Francisco's contracting records. It's impossible to find out for sure just how many contributors are receiving juicy portions of public pork. Although the city's purchasing department maintains an index of most city contracts, some agencies and commissions frequently award contracts that aren't listed there.

What's more, many companies don't make their contributions directly. Some prefer to funnel "soft money" to groups like the local Democratic Party, which can then spend them on Brown's behalf; others "encourage" corporate officers, senior employees, and their family members to make individual contributions, which are harder to trace back to the companies.

An example of this last strategy is Forest City Development, the Ohio company that won the right to build a new Bloomingdale's-anchored shopping complex at Fourth and Market Streets – and may get a multimillion-dollar tax break from the city's redevelopment agency. Forest City didn't make a corporate contribution; instead, company president Charles Ratner and 30 Ratner family members and employees gave a total of \$13,100 to Brown's campaign.

By way of contrast: Brown's rival in the runoff election, Sup. Tom Ammiano, hasn't had to file any contribution-disclosure forms yet. But Esther Marks, treasurer for Ammiano's campaign, told us the supervisor has received only one corporate contribution so far – from California Federal Bank. She wasn't sure how much the check was for, but contributions for the runoff are limited to \$250.

Mr. Softee

The local media focused on challenger Clint Reilly and the \$3.5 million he spent on a losing bid for city hall – most of it from his personal

bank accounts. But Brown quietly stuffed nearly as much into his own overflowing campaign coffers, and not a penny came from his pocket.

Contribution reports show that Brown's campaign juggernaut has collected nearly \$3.1 million since January – including almost a million in "soft" money spent on the mayor's behalf by external business, labor, and political groups. Tens of thousands more will likely pour in before the Dec. 14 runoff – but the sources of those contributions won't be revealed until the next round of disclosures are due, Dec. 2.

Soft money has played a significant role in Brown's campaign. Eleven political organizations, labor unions, and special interest groups have spent at least \$814,000 on television advertising, mailers,

HERE ARE THE largest contributors of "soft money" to Brown's reelection campaign as of Nov. 1. Soft money is spent by a candidate's supporters, independently of that candidate's campaign.

- San Francisco Democratic Central Committee, \$265,683
- California State Democratic Central Committee, \$194,770
- Hotel and Restaurant Employees Union, \$185,026
- Health Care Workers SEIU Local 250, \$36,784
- Operating Engineers Local 2, \$36,679
- S.F. Labor Council, \$31,925
- San Franciscians for Sensible Government,

television advertising, mailers, billboards, and other campaign materials.

That doesn't include the estimated \$80,000 the Golden Gate Restaurant Association spent on advertising thanking Brown for making San Francisco such a wonderful tourist trap. The restaurant owners' group says the campaign had nothing to do with the election; according to campaign reports, the group officially contributed only \$500 to Brown's campaign.

The largest soft money contributors were the city and state Democratic Party organizations. Between them, they spent \$460,000 to convince voters the mayor is San Francisco's best choice.

Organized labor also weighed in. Five union groups spent a total of \$293,000 on Brown's behalf. More than half that sum – \$185,000 – came from the Hotel and Restaurant Employees.

What's more, the Brown campaign took in thousands of dollars from individual contributors who didn't identify their affiliations to businesses or other groups.

Campaign disclosure laws require all contributors to identify their affiliations. Frequently, though, contributors omit that information – in which case campaign committees are required to request it. Campaigns typically make little effort to follow up on these requests.

Brown's reelection campaign received \$153,000 from some 408 individuals who failed to provide affiliations. Campaign spokesperson Johnston told us the mayor's committee pursues their requests "very diligently."

"Our campaign has never been sanctioned by [the state] for failure to file accurate reports," he told us. "We have a perfect record and don't intend to spoil it."

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Sensible Government,
\$30,000

•Alice B. Toklas
Lesbian/Gay Democratic
Club, \$17,545

•San Francisco Deputy
Sheriffs Association,
\$10,000

•San Francisco Police
Officers Association,
\$2,952.